GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:370
ANSWERED ON:22.03.2001
NEW TEXTILE POLICY
GANGASANDRA SIDDAPPA BASAVARAJ

Will the Minister of TEXTILES be pleased to state:

(a) whether new textile policy has failed to provide the remedial measures for removing the quantitative restrictions under the Multi-Fibre Agreement;

(b) whether it has also failed in restructuring as well as in technology upgradation for achieving the healthy target;

(c) whether new policy provides adequate safeguards and steps tomeet the competition in the world;

(d) if not, the reasons therefor;

(e) the remedial measures taken by the Government in this regard;

(f) the impact of the General Budget 2001-2002 on the textile industry ?

Answer

MINISTER FOR TEXTILES (SHRI KASHIRAM RANA)

(a) No, Sir.

(b) No, Sir.

(c) Yes, Sir.

(d) Does not arise.

(e) & (f) A statement is enclosed.

Statement referred to in reply to Lok Sabha Starred Question No.370 regarding New Textile Policy for answer on 22.3.2001

(e) & (f) The gradual removal of Quantitative Restrictions (QRs) and lowering of import duties are part of an international obligation, which India as a member of the WTO has to fulfil.

The National Textile Policy 2000 (NTxP 2000) announced by the Government on 2.11.2000 aims to strengthen the industry and prepare it to face global competition with confidence. Among its important objectives is the facilitation and promotion in the textile industry of technological upgradation; increase in quality and productivity; strengthening of the raw material base; modernisation of the weak areas of processing, weaving and garment making. Some measures to pursue these objectives have already been launched, such as the Technology Upgradation Fund Scheme (TUFS) for attracting investment for modernisation of the industry; the Cotton Technology Mission for improving yield, productivity and quality of cotton; and the Deen Dayal Hathkargha Protsahan Yojana for strengthening the traditional skills and capabilities of the handloom sector. The garment sector has been dereserved. A Textile package has been announced in the budget for 2001-2002 with new schemes and programmes for promoting investment and growth in the weaving and garment making sectors. Fiscal concessions have also been given which are expected to increase investment in technology upgradation in the sector.

The Budget for 2001-2002 has been generally welcomed as being conducive to growth.